1 The Honorable Barbara J. Rothstein 2 3 4 5 6 7 UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON 8 AT SEATTLE 9 AIRPORT COMMUNITIES COALITION, No. CV02-2483R 10 Plaintiff, PLAINTIFF ACC'S MOTION FOR V. 11 RECONSIDERATION COLONEL RALPH H. GRAVES, 12 Commander and District Engineer of the NOTE ON MOTION CALENDAR: Seattle District, United States Army Corps of 13 August 29, 2003 Engineers; UNITED STATES ARMY CORPS OF ENGINEERS, an agency of the United 14 States government; and PORT OF SEATTLE,

## I. INTRODUCTION AND RELIEF REQUESTED

Defendants.

Plaintiff Airport Communities Coalition ("ACC") respectfully requests that the Court reconsider its Order Granting Defendants' Motions for Summary Judgment and Denying Plaintiff's Motion for Summary Judgment (the "Order"). In its Order, the Court focuses on the one-year period following notice of the application as the critical period for state 401 certification action. Yet, the Order fails to address at all the legal effect of the State Pollution Control Hearings Board's ("PCHB") Order Granting Motion to Stay the Effectiveness of Section 401 Certification (the "Stay Order") which was issued within the initial one-year period. In effect, this final word from the

<sup>1</sup> The Stay Order is attached as Exhibit A.

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State of Washington on the Port's request for certification within the initial one-year period was a denial of the Certification which, under the terms of the Clean Water Act and in light of this Court's decision, should have precluded § 404 approval by the Corps.

Overlooking the effect of the PCHB's December 17, 2001, Order is understandable in light of the thousands of pages of record and layers of arguments which this Court was asked to address. Nonetheless, it does fall within the type of "manifest error" for which reconsideration is appropriate. ACC therefore respectfully requests that the Court grant its motion for reconsideration and remand the matter to the Corps with direction to deny the CWA § 404 permit based upon the PCHB's December 17, 2001, Stay Order, issued within the initial one-year notice period. In the alternative, ACC respectfully requests that the Court remand the matter back to the Corps with direction to incorporate into the CWA § 404 Permit all the PCHB's modified conditions which were preconditions to lifting the PCHB's December 17, 2001, Stay Order.

## II. AUTHORITY AND ARGUMENT

Local Rule 7(h) permits motions for reconsideration in cases of "manifest error."

Section 401 of the Clean Water Act provides in pertinent part:

If the State, interstate agency, or Administrator, as the case may be, fails or refuses to act on a request for certification, within a reasonable period of time (which shall not exceed one year) after receipt of such request, the certification requirements of this subsection shall be waived with respect to such Federal application. No license or permit shall be granted until the certification required by this section has been obtained or has been waived as provided in the preceding sentence. No license or permit shall be granted if certification has been denied by the State, interstate agency, or the Administrator, as the case may be.

33 U.S.C. § 1341(a)(1) (emphasis added).

In this case, the Court should reconsider its Order because it was manifest error for the Court to establish a one-year bright-line rule for State action on the CWA § 401 Certification, yet fail to

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<sup>&</sup>lt;sup>2</sup> The effect of the PCHB Stay Order was raised in plaintiff's Motion for Summary Judgment (at p. 13)—and in the record. *See* AR 46125-22.

address the legal effect of the final word from the State of Washington on the CWA § 401 Certification that occurred within the one-year period.

In this case, because the last word from the State of Washington within the one-year period following the public notice was a stay which set aside the Clean Water Act § 401 certification and which had the effect of a denial, the plain language of CWA § 401 required the Corps to deny the § 404 permit.

The Corps issued its final public notice for the Port of Seattle's ("Port") CWA § 404 permit application on January 17, 2001. This notice also stated that it "served as notification of a request to the State of Washington, Department of Ecology, for water quality certification [pursuant to Clean Water Act § 401] . . ." AR 034299. As acknowledged by the Corps in its Record of Decision ("ROD"), the one-year time period for the State to act upon the request for certification commenced on the date of the January 17, 2001, public notice. AR 053967.

As this Court notes in its Order (at p. 9), the Washington State Department of Ecology ("Ecology") issued its certification decision on September 21, 2001, within the one-year time period. However, this Court fails to address the legal effect of the PCHB's subsequent Order, which also occurred within one year of the public notice, on December 17, 2001. AR 046948-928.

The December 17, 2001, PCHB Stay Order explicitly was issued to:

assure the Board's ability to render a meaningful decision on the merits...the potential issuance of the 404 permit during the pendency of this appeal warrants the Board's determination that failure to stay the effectiveness of the § 401 Certification could cause irreparable harm to the wetlands proposed for filling.

AR 046104-03 (Stay Order at pp. 18-19). The Order was clear about its effect. "Based on the foregoing, the Board hereby grants Appellant's motion to <u>stay the effectiveness</u> of § 401 Certification No. 1996-5-02325 (amended-1) . . ." AR 046104 (*Id.* at 20) (emphasis added). The basis for the Board's decision was the potential for the project to violate state water quality standards, in contravention of federal and state water quality laws. AR 046110, 046108, 046107 (*Id.* at 12 (lines 10-14), 14 (lines 6-13), 17 (lines 7-14).) Thus, on January 16, 2002, one year after

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the public notice of application, a valid § 401 Certification for the project not only did not exist, but was explicitly rejected by the Board as violative of the Clean Water Act requirement that the federally permitted discharge must comply with state water quality standards. 33 U.S.C. § 1341(a)(1).

Thus, within the initial one-year period deemed critical by this Court, the state acted to take jurisdiction under CWA § 401 and then, having acted within that one year, ordered (in the form of the PCHB December 17 Order) that the state decision be deemed a denial until the further notice. And, it made clear that it was doing so explicitly to prevent the outcome which the Court's recent decision would create. The PCHB issued its Findings of Fact, Conclusions of Law, and Order on August 12, 2002. AR 052386-248. As part of this decision, the Board lifted its prior Stay Order preconditioned upon the modification of Ecology's initial certification decision. The Board found the preconditions necessary to meet the CWA § 401 standard of "reasonable assurance the construction of the Port's proposed improvements at the airport will comply with state water quality standards." *Id.* 

If this Court is to adopt a bright-line rule that the Corps is only required to honor State Certification decisions made within the initial one-year period, then the State of Washington's final word within that year was a denial of certification of the project. That denial remained in effect until conditionally lifted. The practical effect of the Court's Order therefore is to allow the Port and the Corps the benefit of the PCHB's decision to conditionally lift its December Stay Order, while allowing the Corps to disregard the *quid pro quo* (the modified conditions) for lifting the stay. This outcome is impermissible under the Court's reading of the Act.

Under § 401(a)(1) of the Act, the Corps lacks authority to further process a § 404 application and issue a § 404 approval where the state has taken jurisdiction and ordered a § 401 certification denial within the initial one-year period. 33 U.S.C. § 1341(a)(1). If the Corps is to be allowed to move ahead in disregard of the state Order staying the § 401 Certification, issued within the initial one-year period, it may only do so by complying with the conditions under which the

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state (outside of the one-year period) lifted its Order. Allowing the Corps to have it both ways is inconsistent both with the Act and with the logic of this Court's August 18, 2003, decision.

Even the Corp's own Regulatory Guidance Letter ("RGL") 87-03 suggests that the Corps must either deny the § 404 permit, based upon the PCHB Stay Order setting aside the Ecology certification or, at minimum, honor the conditions precedent to "legally revive" Ecology's Certification. The RGL provides that the Corps "cannot issue the permit" if the § 401 certification is "set aside" within the one-year period "unless and until the 401 certification is legally revived." On its face, RGL 87-03 therefore establishes that the Corps *could not* issue the permit in this case until the PCHB issued its Final Order modifying the certification and lifting its December 17 Order. <sup>3</sup>

## IV. CONCLUSION

For the reasons set forth above, ACC respectfully requests that the Court reconsider its Order Granting Defendants' Motions for Summary Judgment and Denying Plaintiff's Motion for Summary Judgment. Based upon the PCHB's December 17, 2001, stay setting aside the Ecology Certification approval, which did occur within the one-year period following the Corps' January 17, 2001, public notice, the Court should remand this matter back to the Corps with direction to deny the § 404 Permit. Alternatively, the Court should remand this matter back to the Corps with direction to the Corps to include all of the PCHB's modified conditions in its August 12, 2002,



<sup>&</sup>lt;sup>3</sup> The Washington Legislature has established the PCHB as a quasi-judicial body with specialized expertise explicitly to:

provide for a more expeditious and efficient disposition of appeals with respect to the decisions and orders of the department ...

1	Order, as imposition of those modified conditions was a condition precedent to the PCHB's Order	
2	lifting the December 17, 2001, Order.	1
3	Respectfully submitted this	day of August, 2003.
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